

February 13, 2003

Honorable Michael K. Powell, Chairman Honorable Kathleen Abernathy, Commissioner Honorable Jonathan Adelstein, Commissioner Honorable Michael Copps, Commissioner Honorable Kevin Martin, Commissioner Federal Communications Commission 445 12th Street SW Washington, DC 20554

Re: Ex Parte

CC Docket Nos. 01-338, 96-98, and 98-147

Chairman Powell and Commissioners:

With the Commission on the verge of issuing a decision in the Triennial Review proceeding on the fate of unbundled network elements, the UNE-Platform, and the entire competitive wireline industry, the undersigned members of the Association of Communications Enterprises (ASCENT) again wish to emphasize the importance of both facilities and non-facilities based carriers to creating and sustaining competitive telecommunications markets. Indeed, if the Commission were to adopt policies severely hindering the ability of non-facilities based carriers to compete in local phone markets, the Commission's action would disregard completely the historic contribution such companies have made to competitive telecommunications services.

One argument often heard during the Triennial Review proceeding is that <u>only</u> facilities-based carriers are capable of bringing meaningful competition to local phone service. But there is little record evidence to support this claim. In contrast, we need look no further than the long distance industry to show how non-facilities-based carriers, in tandem with network-based carriers, can help create and sustain robust competition in a particular telecom service.

It was not too long ago when the interexchange market was highly concentrated and a coast-to-coast call might exceed \$1 per minute. But successful court challenges and farsighted decisions by the Commission eventually opened the long distance market to a host of new entrants – both facilities-based as well as non-facilities-based – including many of the undersigned. Few would disagree that over the past 30 years this combination of national network operators, regional players, switch-based carriers, and

pure resellers has created – and sustained – an intensely competitive market typified by falling prices, virtually unlimited consumer choice, and rampant service innovations.

The notion that facilities-based carriers alone are capable of creating competitive markets is utterly contradicted by the history of telecommunications competition. This critical fact should be of paramount importance during your final deliberations on the Triennial Review. By establishing local phone markets where a diverse variety of carriers are able to compete, the Commission likely would create the same high level of competition — and the same wealth of benefits — which long distance subscribers enjoy today.

Sincerely,

THE UNDERSIGNED ASCENT MEMBERS:

/s/	/s/
David R. Griffee	Allan Stern
1-800-Reconex, Inc.	Alticomm, Inc.
/s/	/s/
Lance Honea	Steve Hesling
Access One, Inc.	American Telesis
/s/	/s/
Mike Bauer	Don Aldridge
Advantage Telecom	AmeriMex Communications Corporation
/s/	/s/
Thomas Coughlin	Gordon Martin
Alliance Group Services	ASCENT Chairman

/s/	/s/
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/s/	/s/
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William Oberlin Bullseye Telecom, Inc.	Ed Kilb DataNet Systems LLC
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James Hansen Carmel Solutions, Inc.	Sean Dandley DSCI Corporation
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Norman Mason Cat Communications International, Inc.	Robert Mocas Easton Telecom Services

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Robert J. Donahue GlobalNet International, Inc.	Al Mayerhoff InterGlobe Communications
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Ron Harden Grande Communication	Tom Schroeder Interstate FiberNet
/s/	/s/
Robert Hale Sr. Granite Communications	J. Sherman Henderson Lightyear Communications
/s/	/s/
Ron Contrado Homisco/Voicenet	Nicholas Winchester Mid-Maine Communications
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Joseph Gregori InfoHighway Communications Corp.	Andrew Isar Miller Isar, Inc.
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James K. Leedy, Sr. Integrated Communication Solutions	Jeff Waddell New Edge Networks
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Joseph P. Fiorillo Intelecom Solutions	Larry Seab NOW Communications, Inc.

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